

Peterson Farms Cooperative, Inc.
3104 W. Baseline Road
P. O. Box 55
Shelby, Michigan 49455

Telephone 231-861-6333 FAX 231-861-8773

July 7, 2003

Via FAX 301-734-5275

Two Pages transmitted

Mr. Kenneth Johnson
USDA - Agricultural Market

RE: 2003 Red Tart Re

Dear Ken:

I spent June 30, July 1, July 2, and July 3 on a tour of tart orchards in West Central and Northern Michigan. I viewed literally thousands of acres, and spoke with almost 100 tart growers. There is one certainty; there are many disagreements as to the size of this national crop. Some say 200 million, while others are predicting 220 or more.

I was in attendance at the June 26 CIAB meeting. A minority of the Board let their emotions rule in an attempt to manipulate the formula in an effort to decrease or eliminate a regulation. I look back at the actions of the Board in June of 1999. The Board was severely criticized by the industry, after the harvest, for manipulating the formula. As the 1999 crop "picked long", a regulation was not in place even though our industry needed one. The actions of the CIAB on June 26 were correct and proper because...

1. All tarts will be harvested in 2003 and our industry will maximize sales. A regulation assures us that we will not overburden our regular domestic market.
2. We do not, today, know the size of this crop. The final regulation, if needed, will be set in September. After my travels of the past week I firmly believe that the current USDA estimate of 218 million is low. Our industry has a habit of picking out long and this 2003 crop will be no exception. This regulation is needed to prevent chaos after the harvest is complete.

3. The CIAB decision was based upon a Super Majority and took into account verifiab e movement and sales.
4. If there is a regulation and additional cherries are needed above the formula, the CIAB can recommend to the USDA for additional releases.
5. A regulated 2003 crop will encourage the exporting of tarts to earn credits.
6. A regulated 2003 crop will encourage new products/markets to earn credits.
7. The CIAB needs to be commended for strictly following the order without manipulation.

On behalf of our Peterson Farms Cooperative, Inc., I urge the USDA to support the actions of the CIAB and allow the regulation as voted upon by the CIAB on June 26, 2003.

Sincerely,



Earl L. Peterson
Chairman

cc: Perry Hedln